

Decision No. 38172

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
R. J. THOMPSON, doing business as)	
R. J. THOMPSON TRUCK COMPANY, for a)	
Certificate of Public Convenience and)	Application No. 26675
Necessity authorizing service as a)	
common carrier of property by motor)	
vehicle in pick-up and delivery service)	
for Union Pacific Railroad Company be-)	
tween Los Angeles and adjacent territory.)	

ORIGINAL

BY THE COMMISSION:

R. J. Thompson, doing business as R. J. Thompson Truck Company, seeks authority, under Section 50-3/4 (c) of the Public Utilities Act, to establish and operate a motor truck service as a highway common carrier of commodities generally between the Union Pacific Railroad Company freight depot in Los Angeles, on the one hand, and points and places outside the corporate limits of the City of Los Angeles, but within Los Angeles Zone 1 as described and delineated in Item No. 30-A of Distance Table No. 3, Appendix "A" of Decision No. 31605 in Case No. 4246, on the other hand.

Applicant now maintains and operates a considerable amount of motor trucking equipment for hire in the City of Los Angeles and vicinity which will be used when and as necessary in the proposed service to be performed exclusively under contract with the Union Pacific Railroad Company. Only shipments to or from points on said railroad line which will have a subsequent or prior movement by rail will be transported.

The proposed rates to be assessed for such service and the rules and regulations governing the same will be those

contained in the applicable tariff or tariffs to which said Union Pacific Railroad Company is a party, naming pick-up and delivery rates. Applicant's compensation for such transportation service will be paid by said Union Pacific Railroad Company pursuant to agreement with applicant.

Applicant will follow no definite routes in performing the proposed service, but will use any and all public streets and highways that may be convenient within the zone hereinbefore described.

The proposed service will be an on-call service, conforming with the requirements of said Union Pacific Railroad Company.

Applicant relies upon the following conditions as justification for granting the authority requested:

"Union Pacific Railroad Company publishes and files with this Commission tariffs naming pick-up and delivery rates between points on its lines within the State of California which, at Los Angeles, are applicable within a defined pick-up and delivery zone. Such zone includes territory lying within the incorporated cities of Vernon, Huntington Park, Maywood, Bell and South Gate, and certain areas lying within unincorporated county territory. Union Pacific Railroad Company does not operate its own motor trucks in the performance of such pick-up and delivery service within said zone, and therefore must employ an independent carrier. Applicant is now performing and for many years has performed pick-up and delivery service for Union Pacific Railroad Company within the terminal area of Los Angeles on shipments moving in interstate or foreign commerce, which service constitutes a substantial operation. The movement of shipments in intrastate commerce by said Union Pacific Railroad Company to or from Los Angeles is infinitesimal, the preponderance of the movement being in interstate commerce. Applicant is familiar with the handling of freight shipments for said Union Pacific Railroad Company and can best serve the interests of such railroad company by performing the proposed pick-up and delivery service in connection with intrastate shipments. Such coordinated pick-up and delivery service of shipments moving both in intrastate and interstate commerce performed under contractual arrangements with Union Pacific Railroad Company will result in benefit to the shipping public."

Common carriers now serving the territory, it appears, have no objection to the granting of the application.

A public need having been shown for the establishment of the proposed service, the application will be granted. This matter does not require a public hearing.

R. J. Thompson is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate-fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the State, which is not in any respect limited to the number of rights which may be given.

ORDER

Application having been made as above entitled, and the Commission now finding that public convenience and necessity so require,

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to R. J. Thompson, authorizing the establishment and operation of a service as a highway common carrier, as defined by Section 2-3/4 of the Public Utilities Act, between the Union Pacific Railroad Company freight depot in Los Angeles, on the one hand, and points and places outside the corporate limits of Los Angeles, but within Los Angeles Zone 1 as

described and delineated in Item No. 30-A of Distance Table No. 3, Appendix "A" of Decision No. 31605 in Case No. 4246, subject to the following conditions and restrictions:

The service authorized shall be limited to the transportation of shipments which it receives from or delivers to the Union Pacific Railroad Company, and all of said shipments shall receive, in addition to the movement by truck, an immediately prior, or an immediately subsequent movement by rail.

(2) That in the operation of the highway common carrier service, pursuant to the foregoing certificate, R. J. Thompson shall conform to and observe the following service regulations:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective date hereof.
2. Applicant herein shall comply with the rules of the Commission's General Order No. 80 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, appropriate tariffs and time tables within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.
3. Subject to the authority of the Commission to change or modify such routes at any time by further order, applicant may conduct such highway common carrier operations over any and all available streets and public highways.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 28th day of August, 1945.

Harold Ruden
James J. C. ...
Richard ...

Grant ...
COMMISSIONERS